

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE (202) 424-7645
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
TEL. (212) 973-0111
FAX (212) 891-9598

March 2, 2004

VIA ECFS

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau
P.O. Box 358145
Pittsburgh, PA 15251-5145

Re: WCB Docket No. 04-3: In the Matter of the Joint Application of ICG ChoiceCom, L.P., ICG Telecom Group, Inc. and Z-Tel Communications, Inc. for Approval to Transfer Certain Customers

Dear Ms. Dortch:

ICG ChoiceCom, L.P. ("ChoiceCom"), ICG Telecom Group, Inc. ("Telecom Group") (ChoiceCom and Telecom Group, together "ICG") and Z-Tel Communications, Inc. ("Z-Tel") (ICG and Z-Tel, together "Applicants"), by undersigned counsel, hereby submit an application for Commission approval to transfer certain customers of ICG to Z-Tel. Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 transfer application and international section 214 transfer application ("Combined Application"). Applicants are simultaneously filing the Combined Application electronically via the International Bureau's Electronic Filing System ("IBFS").

Applicants also submit a completed Fee Remittance Form 159 containing a VISA credit card number and expiration date for payment, in the amount of \$860.00, to the Federal Communications Commission, which satisfies the filing fee required for this Application under line 2.b of Section 1.1105 of the Commission's rules. A copy of the Fee Remittance Form 159 and ECFS confirmation is being submitted to the Mellon Bank in Pittsburgh, Pennsylvania.

Please do not hesitate to contact us if you have any questions regarding this filing.

Respectfully submitted,



Tamar E. Finn
Brett P. Ferenczak

Counsel to Applicants

Enclosure

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

Joint Application of)	
)	
)	
ICG ChoiceCom, L.P.)	
ICG Telecom Group, Inc. and)	File No. ITC-_____
Z-Tel Communications, Inc.)	
)	WCB Docket No. 04-3
for Authority Pursuant to Section 214 of the)	
Communications Act of 1934,)	
As Amended, to Transfer Certain)	
Customers of ICG ChoiceCom, L.P. and)	
ICG Telecom Group, Inc. to)	
Z-Tel Communications, Inc.)	
)	

APPLICATION

I. Introduction

ICG ChoiceCom, L.P. (“ChoiceCom”) ICG Telecom Group, Inc. (“Telecom Group”) (ChoiceCom and Telecom Group, together “ICG”) and Z-Tel Communications, Inc. (“Z-Tel”) (collectively, “Applicants”), by and through undersigned counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (1982) (the “Act”), and Sections 63.04 and 63.18 of the Commission’s Rules, 47 C.F.R. § 63.04 & 63.18 (2000), hereby request that the Commission grant such authority as may be necessary or required to permit Applicants to transfer certain customers of ICG to Z-Tel (the “Transaction”).¹ ICG is decommissioning certain

¹ Pursuant to the Commission’s Order in *In re Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations*, CC Docket No. 01-150, 17 FCC Rcd 5517, (2002), Applicants understand that asset transfers such as the one described herein are treated as transfers of control requiring approval under the Commission’s rules.

Telecom Group and Z-Tel filed a similar Joint Application to transfer certain customers in California and Ohio from Telecom Group to Z-Tel. The International 214 Application for that transfer was approved on February 13, 2004. See Public Notice, Report No. TEL-00761, FCC File No. ITC-ASG-20041224-00564 (Feb. 13, 2004). The Domestic 214 Application was deemed approved on February 21, 2004. See WB Docket No. 04-3.

collocation sites in Texas serving a small number of its customers. The areas, products and customers serviced by these sites cannot be economically moved to other ICG services. ICG has entered into an agreement with Z-Tel to transition these customers (“Transfer Customers”) to Z-Tel services in order to ensure continuity of service.

A. Request for Expedited Consideration

The Transaction proposed herein is necessary to ensure that current Transfer Customers will continue to receive uninterrupted service. Applicants emphasize that following the completion of the proposed Transaction, customers of ICG will continue to receive similar rates, features, terms and conditions of service. In order to complete an orderly transition and the continued provision of high quality competitive telecommunications services, Applicants respectfully request that the Commission act expeditiously to grant the authority requested herein as soon as possible.

B. Application Eligible for Streamlined Processing

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 and 63.12 of the Commission’s Rules, 47 C.F.R. §§ 63.03 & 63.12. With respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the Transaction, (1) Neither ICG and its affiliates combined nor Z-Tel and its affiliates combined will hold more than a ten percent (10%) share of the interstate, interexchange market; (2) Applicants will provide local exchange service, if at all, only in areas served by dominant local exchange carriers (none of which are parties to the proposed Transaction) and; (3) none of the Applicants or their affiliates are dominant with respect to any service. With respect to international authorizations, none of the Applicants are foreign carriers or affiliated with any foreign carriers, as that term is defined in Section 63.09 of the Commission’s Rules, 47 C.F.R. § 63.09, and none of the other scenarios outlined in Section 63.12(c) of the Commission’s Rules, 47 C.F.R. § 63.12, apply.

In support of this Application, Applicants provide the following information:

II. Description of the Applicants

A) ICG ChoiceCom, L.P. and ICG Telecom Group, Inc.

ICG is a communications and information service provider with a nationwide fiber-optic data and voice network. ICG ChoiceCom, L.P. is a Delaware limited partnership and ICG Telecom Group, Inc. is a Colorado corporation. ChoiceCom and Telecom Group have their principal office at 161 Inverness Drive West, Englewood, Colorado 80112. ChoiceCom is a subsidiary of Telecom Group, which in turn is an indirect wholly owned subsidiary of ICG Communications, Inc.

The company's managed Network offers numerous points of presence nationwide covering over 4000 rate centers. ICG's service offerings include local and long distance telecommunications services, data services, information services, and other communications solutions. In Texas, ChoiceCom offers local exchange and intrastate interexchange telecommunications services, as well as interstate and international long distance services. Telecom Group also offers interstate and international long distance services in Texas. ICG's services are primarily offered to medium to large-sized businesses, Internet service providers ("ISPs"), interexchange carriers, and other telecommunications carriers.

B) Z-Tel Communications, Inc.

Z-Tel is a Delaware corporation with its principal place of business in Tampa, Florida that offers local and long distance telecommunications services. Z-Tel was the first national competitive local telephone service provider in the U.S. and currently offers service to residential and business customers in most states. Z-Tel is a Delaware corporation with its principal place of business in Tampa, Florida. Z-Tel is 100% owned by Z-Tel Technologies, Inc., a publicly traded corporation listed on the NASDAQ exchange under the symbol "ZTEL."

III. Description of the Transaction

For a variety of business and strategic reasons, ICG has determined to restructure, rationalize and realign its business plan and operations to existing market conditions by decommissioning certain collocation sites in Texas serving a small number of its customers.² The areas, products, and customers serviced by these sites cannot be economically moved to other ICG services. As such, ICG has entered into an agreement with Z-Tel to transition these customers to Z-Tel services. With this transition, customers will receive similar rates, features, and terms and conditions of service, and will continue to enjoy top quality services with performance that meets or exceeds that of the services they currently have. No other ICG services will be affected and ICG will continue operations in Texas. The transaction is designed to streamline the operations of ICG while strengthening Z-Tel's competitive market position.

Z-Tel is extremely well qualified to acquire and serve the Transfer Customers of ICG. Z-Tel's success in developing innovative products and services has translated into impressive growth in recent years, and has created a company that is extremely well-qualified financially to serve ICG's Transfer Customers.

Consistent with regulatory carrier change requirements, ICG's Transfer Customers will also be notified of the transfer of their service to Z-Tel and given the opportunity to switch to another service provider without penalty. A copy of that customer notice letter is attached hereto as Exhibit A. Applicants will also maintain a toll free customer service number at (888) 424-4440 to answer customer questions concerning the transaction.

² As indicated earlier, ICG also decided to decommission certain collocation sites in California and Ohio and transfer the customers serviced by those sites to Z-Tel. Commission approval has already been obtained for that transaction.

IV. Public Interest Considerations

Applicants respectfully submit that the Transaction serves the public interest. In particular, Applicants submit that the transaction will (1) allow Z-Tel to enhance its competitive position by increasing its customer base; (2) allow ICG to enhance its competitive position by allowing it to streamline its operations; and (3) allow current Transfer Customers of ICG to maintain continuity of service by receiving the same services from Z-Tel at the same or better rates, features, terms and conditions of services than they currently receive from ICG.

V. Information Required by Section 63.18

- (a) Name, address and telephone number:

Transferors: ICG ChoiceCom, L.P.
161 Inverness Drive West
Englewood, Colorado 80112
(303) 414-5000

ICG Telecom Group, Inc.
161 Inverness Drive West
Englewood, Colorado 80112
(303) 414-5000

Transferee: Z-Tel Communications, Inc.
601 South Harbour Island Blvd, Suite 220
Tampa, FL 33602
(813) 273-6261

- (b) Transferors: ChoiceCom is a limited partnership formed under the laws of the State of Delaware.

ICG is a corporation formed under the laws of the State of Colorado.

Transferee: Z-Tel is a corporation organized under the laws of the State of Delaware.

- (c) Correspondence concerning this Application should be sent to:

Tamar E. Finn
Brett P. Ferenchak
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007-5116
Telephone: (202) 424-7500
Facsimile: (202) 424-7645
Email: TEFinn@swidlaw.com
BPFerenchak@swidlaw.com

- (d) Transferors: ChoiceCom operates under Telecom Groups' international Section 214 authority described below. ChoiceCom is also authorized to provide interstate telecommunications services pursuant to blanket domestic Section 214 authority.

Telecom Group holds global authority to provide facilities-based and resold international services pursuant to Section 214 authority issued by the Commission in File No. ITC-214-19980508-00305 (Old File No. ITC-98-347). Telecom Group is also authorized to provide interstate telecommunications services pursuant to blanket domestic Section 214 authority.

Transferee: Z-Tel holds global authority to provide international switched services on a facilities-based and resold basis pursuant to Section 214 authority issued by the Commission in File No. ITC-214-19980507-00300 (Old File No. ITC-98-349). Z-Tel is also authorized to provide interstate telecommunications services pursuant to blanket domestic Section 214 authority.

- (e)(4) By this Application, Applicants seek authority to transfer customers described above.
- (f) Not applicable.
- (g) Not applicable.

- (h) Information concerning the ten percent (10%) or greater shareholders of Transferors is as follows:

The general partner of ChoiceCom is:

Name:	ICG ChoiceCom Management, LLC
Address:	161 Inverness Drive West Englewood, CO 80112
Citizenship:	USA
Percentage Owned:	100%
Principal Business:	Telecommunications

The sole limited partner of ChoiceCom is:

Name:	ICG Telecom Group, Inc.
Address:	161 Inverness Drive West Englewood, CO 80112
Citizenship:	USA
Percentage Owned:	100%
Principal Business:	Telecommunications

The following entity is the sole member of ICG ChoiceCom Management, LLC:

Name:	ICG Telecom Group, Inc.
Address:	161 Inverness Drive West Englewood, CO 80112
Citizenship:	USA
Percentage Owned:	100%
Principal Business:	Telecommunications

The following entity owns 100% of ICG Telecom Group, Inc.:

Name:	ICG Holdings, Inc.
Address:	161 Inverness Drive West Englewood, CO 80112
Citizenship:	USA
Percentage Owned:	100%
Principal Business:	Telecommunications

The following entity owns 100% of ICG Holdings, Inc.:

Name:	ICG Communications, Inc.
Address:	161 Inverness Drive West Englewood, CO 80112
Citizenship:	USA
Percentage Owned:	100%
Principal Business:	Telecommunications

The following entity owns a ten percent (10%) or greater interest in ICG Communications:

Name:	W.R. Huff Asset Management Co., LLC
Address:	1776 On the Green 67 Park Place Morristown, NJ 07960
Citizenship:	USA
Percentage Owned:	Approximately 16-19%
Principal Business:	Investment Management

Information concerning the ten percent (10%) or greater shareholders of Transferee is as follows:

The following entity owns 100% of Z-Tel:

Name:	Z-Tel Technologies, Inc.
Address:	601 South Harbour Island Blvd, Suite 220 Tampa, FL 33602
Citizenship:	USA
Percentage Owned:	100 %
Principal Business:	Telecommunications

The following entities own a ten percent (10%) or greater interest in Z-Tel Technologies, Inc.

Name:	D. Gregory Smith
Address:	601 South Harbour Island Blvd, Suite 220 Tampa, FL 33602
Citizenship:	USA
Percentage Owned:	16.1 %
Principal Business:	Investments

Name:	Carol Jane Smith
Address:	601 South Harbour Island Blvd, Suite 220 Tampa, FL 33602
Citizenship:	USA
Percentage Owned:	11 %
Principal Business:	Investments

Name:	Brown Brothers Harriman & Co.
Address:	140 Broadway New York, New York 10005
Citizenship:	USA
Percentage Owned:	14.7 %
Principal Business:	Investments

Neither ICG nor Z-Tel will have any interlocking directorates with a foreign telecommunications carrier.

- (i) Applicants certify that they are not foreign carriers and that they are not currently affiliated with any foreign carrier.
- (j) Applicants certify that they do not seek to provide international telecommunications services to any destination country where:
 - (1) Applicants are a foreign carrier in that country; or
 - (2) Applicants control a foreign carrier in that country; or
 - (3) Any entity that owns more than 25 percent of Applicants, or that controls Applicants, controls a foreign carrier in that country.
 - (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Applicants and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) Applicants certify that they have not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly, from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and will not enter into such agreements in the future.
- (o) Applicants certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301), that they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Applicants request streamlined processing of this Application pursuant to Sections 63.03(b)(2)(i) and 63.12(a)-(b) of the Commission's Rules. This Application qualifies for streamlined processing because, as set forth above, Applicants and their affiliates will hold less than a ten percent (10%) share of the interstate, interexchange market and none of the Applicants or their affiliates are dominant with respect to any service. Furthermore, Applicants have no affiliation with a foreign carrier, have no affiliation with a dominant U.S. carrier whose international switched or private line services Applicants seek authority to resell, and do not seek authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of such services.

VI. Information Required by Section 63.04

- (1) The names, addresses and telephone numbers of the Applicants:

Transferors: ICG ChoiceCom, L.P.
161 Inverness Drive West
Englewood, Colorado 80112
(303) 414-5000

ICG Telecom Group, Inc.
161 Inverness Drive West
Englewood, Colorado 80112
(303) 414-5000

Transferee: Z-Tel Communications, Inc.
601 South Harbour Island Blvd, Suite 220
Tampa, FL 33602
(813) 273-6261

- (2) Jurisdiction of organization for each of the Applicants:

Transferors: ChoiceCom is a limited partnership formed under the laws of the State of Delaware.

ICG is a corporation formed under the laws of the State of Colorado.

Transferee: Z-Tel is a corporation organized under the laws of the State of Delaware.

- (3) Correspondence concerning this Application should be sent to:

Tamar E. Finn
Brett P. Ferenchak
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007-5116
Tel: (202) 424-7500
Fax: (202) 424-7645
Email: TEFinn@swidlaw.com
BPFerenchak@swidlaw.com

- (4) Complete information concerning the ten percent (10%) or greater shareholders of Applicants are provided in **Section V.(h).** above.
- (5) Applicants' certification is provided in **Section V.(o).** above.
- (6) A description of the Transaction is set forth in **Section III** above.

- (7) Applicants provide local exchange and interexchange services on a nationwide basis. This Transaction involves the transfer of certain customers in the State of Texas.
- (8) This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because following the Transaction, Applicants and their affiliates will hold less than a ten percent (10%) share of the interstate, interexchange market and none of the Applicants or their affiliates are dominant with respect to any service.
- (9) By separate filing, Applicants will address the Commission's requirements concerning carrier-to-carrier sale of subscriber bases set forth in Commission Rule 47 C.F.R. § 64.1120.
- (10) Applicants request expeditious processing of this Application to permit the proposed Transaction to be completed as rapidly as possible.
- (11) By separate filing, Applicants will address the Commission's requirements concerning carrier-to-carrier sale of subscriber bases set forth in Commission Rule 47 C.F.R. § 64.1120.
- (12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section IV.** above.

VII. Conclusion

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. In light of the need to ensure continuity of service to customers, Applicants respectfully request expeditious consideration of this Application to permit Applicants to consummate the Transaction as soon as possible.

Respectfully submitted,

By: 
Tamar E. Finn
Brett P. Ferenczak
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007-5116
Tel: (202) 424-7500
Fax: (202) 424-7645
Email: TEFinn@swidlaw.com
BPFerenczak@swidlaw.com

COUNSEL FOR APPLICANTS

Dated: March 2, 2004

EXHIBIT A

Customer Notice Letter



[DATE]

Customer Name
Address
City, ST. Zip

Re: Business Line Service(s)

ICG Telecom Group, Inc., the parent company of ICG ChoiceCom, L.P. ("ICG"), has entered into an agreement with Z-Tel Communications, Inc. ("Z-Tel") in which the business line telephone services you currently receive from ICG will be transferred to Z-Tel. Z-Tel will automatically begin providing such services to you on or about [30 Days from Date]. *This transaction will not affect any other service you may have with ICG.* The actual effective date of the business line transfer will depend on when we receive the appropriate state and federal regulatory approvals.

This transaction **should not cause an interruption of service.** You will receive similar rates, features, terms and conditions of service, and will continue to enjoy top quality services with performance that meets or exceeds that of the services you currently have. The transaction between ICG and Z-Tel has been structured so customers should not be charged any carrier-change charges. If, however, such a charge does appear on a bill from another local telephone company as a result of the transfer of your service to Z-Tel, please call Z-Tel's customer service department toll-free at 1-877-504-8067 and they will reimburse you or credit your account accordingly.

Balances owed for services prior to the transition will remain payable to ICG. Any charges after the transition will be billed and payable to Z-Tel. ICG and Z-Tel have put in place audits to ensure the accurate distribution of any remittance received during and immediately following this transition, but ask for your help to ensure funds are separated and sent to the appropriate billing company based upon the invoices you receive.

You may choose another provider for your local and long distance other than Z-Tel. If you select another provider, you should contact that company directly. You may incur additional charges if you select another service provider. If you select a carrier other than Z-Tel, ICG must be in receipt of a port-out order from that provider by no later than March 17, 2004. Please note that if you are a customer of ICG on that date and your new provider has not informed ICG that you have made arrangements on your own to switch to a telephone company other than Z-Tel, your account will automatically be transferred to Z-Tel.

Please note that any long distance "freeze" you have placed on your existing telephone lines to prevent an unauthorized transfer to another long distance carrier will be overridden for purposes of this transaction and will need to be reinstated by you after the transfer is complete.

Any questions you may have regarding your current services can be addressed by calling ICG's customer service department at 1-888-424-4440. You may also contact Z-Tel's customer service department to learn more about Z-Tel and its service offerings prior to the transfer by calling its toll-free number at 1-877-504-8067 or by visiting their web site at www.ztel.com. Any service orders or complaints you may have prior to the transfer should be addressed to ICG, while any service orders or complaints you may have during or after the transfer may be directed to Z-Tel.

Z-Tel looks forward to continuing to provide you with quality service for many years to come. In the meantime, if you have specific questions about this notice, please contact ICG at 1-888-424-4440.

Sincerely,

ICG ChoiceCom, L.P.
ICG Telecom Group, Inc.
Z-Tel Communications, LLC

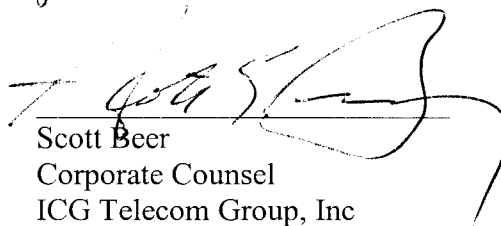
VERIFICATIONS

VERIFICATION

I, Scott Beer, state that I am Corporate Counsel for ICG Telecom Group, Inc., the parent company of ICG ChoiceCom, L.P., Applicants in the foregoing Application; that I am authorized to make this Verification on behalf of ICG Telecom Group, Inc. and ICG ChoiceCom, L.P.; that the foregoing Application was prepared under my direction and supervision; and that the statements in the foregoing document with respect to ICG Telecom Group, Inc. and ICG ChoiceCom, L.P. are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 26, 2004, at Englewood, CO.



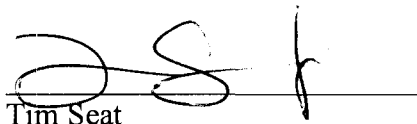
Scott Beer
Corporate Counsel
ICG Telecom Group, Inc

VERIFICATION

I, Tim Seat, state that I am Vice President Regulatory Affairs of Z-Tel Communications, Inc., Applicant in the foregoing Application, that I am authorized to make this Verification on behalf of Z-Tel Communications, Inc.; that the foregoing Application was prepared under my direction and supervision; and that the statements in the foregoing document with respect to Z-Tel Communications, Inc. are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on February 25, 2004, at 3:15 PM.

A handwritten signature in black ink, appearing to read 'TS', is written over a horizontal line.

Tim Seat
Vice President Regulatory Affairs
Z-Tel Communications, Inc.
